



INSURANCE FRAUD INVESTIGATION DIVISION

Kentucky Department of Insurance

909 Leawood Drive, P. O. Box 4050, Frankfort, KY 40604-4050

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Fraud Statistics/Convictions Activity

May 2011

Fraud Statistics

	<u>Month/May</u>	<u>YTD</u>
Total Referrals Received.....	79	426
Closed Referrals.....	99	348
Open Cases (Investigations-includes prior years)		223
Assigned Cases (Investigations).....	4	73
Closed Cases (Investigations).....	6	41
Closed Cases (Investigations) Exceptionally Cleared – Declined by Prosecutor.....	3	10
Charges (1 felony).....	1	57
Convictions (4 felony)	4	18
Restitution Ordered..... \$	3,783.19	20,423.18
Restitution Agreed.....\$	1,000.00	41,207.30
Investigation Expenses to Division		
Awarded.....\$	0.00	4,426.17
Collected..... \$	241.53	5,902.75
Administrative subpoenas issued.....	1	5
Non-licensed individuals.....	1	4
Licensed (active/inactive individuals)....	0	1
Subpoenas Received.....	1	15

Convictions Activity

Patrick Conners –

Between March 2003 and May 2004, Conners collected payments totaling \$3,573.07 from three clients and failed to apply the premiums to their accounts. Conners committed these acts while employed as an insurance agent with Insuramax Inc. He was indicted on three felony counts of fraudulent insurance acts. Conners pleaded guilty to the charges and was sentenced to five years on each count to run concurrently. The sentence was diverted for three years on the condition that he makes restitution in the amount of \$3,783.19.

Denise Hudson –

On March 30, 2009, Hudson presented a false and/or forged proof of insurance card to Kentucky Farm Bureau Insurance and requested the card be faxed to the Knott County Clerk in order to renew the registration of her son's vehicle. Hudson was indicted on one felony count of fraudulent insurance acts. She pleaded guilty to the charge and was sentenced to five years in prison.